

Message Text

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ACTION EA-10

INFO OCT-01 ISO-00 SNM-02 DEAE-00 TRSE-00 /013 W

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R 011025Z APR 75

FM AMEMBASSY RANGOON

TO SECSTATE WASHDC 9370

INFO AMEMBASSY BANGKOK

AMEMBASSY VIENTIANE

CINCPAC HI

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DEPT AND CINCPAC FOR S/NM - AMBASSADOR VANCE

E.O. 11652: N/A

TAGS: SNAR PINS BM

SUBJ: SUMMARY LISTING OF NARCOTICS TRAFFICKING AND DISSIDENT
GROUPS IN NORTHEASTERN BURMA

1. (BEGIN LIMITED OFFICIAL USE) FOLLOWING DISCUSSIONS WITH AMB
VANCE IN RANGOON, EMBASSY HAS PREPARED FOLLOWING SUMMARY LISTING
OF ORGANIZATIONS AND INDIVIDUALS INVOLVED IN OR RELATED TO NARCO-
TICS TRAFFICKING AND DISSIDENCE IN KACHIN, SHAN, AND KAYAH STATES,
FOR USE DURING HEARINGS APRIL 8 BEFORE CONGRESSMAN WOLFF'S SUB-
COMMITTEE. ALL INFORMATION CONTAINED IN SUBSEQUENT PARAS THIS

MESSAGE IS UNCLASSIFIED AND IF NECESSARY MAY BE PLACED IN HEARING
RECORD, BUT WE WOULD PREFER NOT TO HAVE COMPILATION ATTRIBUTED
SPECIFICALLY TO EMBASSY. (END LOU)

(BEGIN UNCLASSIFIED)

2. AI HSIAO-SHIH - AN "INDEPENDENT" OPERATOR WHO COMMANDS OVER
300 ARMED TROOPS. AI BUYS, TRANSPORTS, AND REFINES NARCOTICS IN
ALL AREAS OF THE SHAN STATE. FORMERLY A LEADER OF A KKY FORCE
(INFRA) AI WAS ALSO ONCE ASSOCIATED WITH TAIWAN'S IBMND (INFRA).
AI HAS WORKING AGREEMENTS WITH A VARIETY OF ORGANIZATIONS, INCLU-
DING THE SUA (INFRA), INVOLVING TRANSPORT AND MUTUAL OPERATION OF
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REFINERIES.

3. BCP (BURMA COMMUNIST PARTY (NORTHEAST COMMAND)) - THE SECOND STRONGEST FORCE - AFTER BURMA ARMY - IN THE SHAN STATE. CONTROLS LARGE AREAS WHERE SOME OF THE RICHEST OPIUM IS CULTIVATED. THERE ARE STRONG INDICATIONS THAT THE BCP IS ENGAGED IN NARCOTICS TRAFFICKING, EITHER ACTIVELY OR PASSIVELY. BCP CONTROLLED TERRITORY PRODUCES AN ESTIMATED 100 METRIC TONS OF OPIUM PER HARVEST. ALTHOUGH SUPPLIED, TRAINED AND ADVISED BY PRC, BCP HAS NO ALTERNATIVE TO OPIUM AS A SOURCE OF ECONOMIC SUPPORT. PRECIPITOUS DISCONTINUANCE OF OPIUM CULTIVATION COULD ALSO CAUSE THE BCP TO LOSE ITS POLITICAL BASE.

4. CHANG CHI-FU - CHANG IS THE LEADER OF THE LOI MAW KKY OR SUA. CHANG WAS ARRESTED AND JAILED FOR NARCOTICS-RELATED OFFENSES SEVERAL YEARS AGO AND WAS RELEASED IN SEPTEMBER, 1974, HAVING SERVED THE SENTENCE PROVIDED BY THE OLD DRUG LAW. HOWEVER, THE POSSIBILITY DOES EXIST THAT CHANG WAS RELEASED AS A RESULT OF THE SUA RELEASE OF THE TWO KIDNAPPED SOVIET MEDICS EARLIER IN 1974. CHANG HAS RE-ENTERED THE NARCOTICS BUSINESS AND IS DIRECTING SUA TRAFFICKING PLANS FOR 1975.

5. CIF (CHINESE IRREGULAR FORCES) - ALSO KNOWN AS THE KMT (KUOMINTANG), INCLUDES TWO MAJOR GROUPS, THE 3RD AND 5TH DIVISIONS, AND SEVERAL SMALLER GROUPS. CIF CLAIM THEIR LEADERS, GENS LI WEN-HUAN AND TUAN HSI-WEN, HEADQUARTERED IN THAILAND, ARE NOT ENGAGED IN TRAFFICKING, THOUGH UNDERLINGS OPERATING IN BURMA TRAFFIC WITHOUT THE APPROVAL OR DIRECTION OF THE SENIOR OFFICERS. IN FACT, GENERAL LI IS IN FULL COMMAND AND DIRECTS ALL 3RD CIF ACTIVITIES. GENERAL TUAN (5TH CIF) IS NOT REALLY INVOLVED, THOUGH MANY OF HIS SUBORDINATES ARE AND HAVE MADE ARRANGEMENTS TO INVEST IN REFINERIES. THE 3RD CIF IS PRESENTLY TRANSFERRING TROOPS INTO THE SURA (INFRA) AS A COVER FOR OPERATIONS IN BURMA.

6. FENG SHUN-HSI - FENG IS AN INDEPENDENT OPERATOR OF REFINERIES WHO HAS STRUCK AGREEMENTS WITH A VARIETY OF PEOPLE AND ORGANIZATIONS TO ENGAGE IN TRAFFICKING. FENG, ORIGINALLY A DEPUTY TO A DECEASED KKY LEADER, OPERATES IN THE AREAS VERY NEAR THE TRIBORDER AND HAS COOPERATED WITH OTHER INDEPENDENT TRAFFICKERS AS WELL AS OFFICERS OF THE 5TH CIF. FENG COMMANDS SEVERAL HUNDRED PEOPLE.

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7. IBMND (INTELLIGENCE BUREAU, MINISTRY OF NATIONAL DEFENSE) AN OFFICIAL TAIWAN (ROC) ORGANIZATION, ITS PRESENCE IS BEING FELT LESS AND LESS. ITS ORIGINAL ACCESS TO THE CHINA BORDER FOR INTELLIGENCE OPERATIONS IS LARGELY DENIED IT. IN 1974, IT ALSO REDUCED ITS NUMBERS OF MERCENARIES, MOST OF WHOM WERE ALSO NARCOTICS TRAFFICKERS. IT DOES NOT RPT NOT SEEM LIKELY THAT THE IBMND AS AN ORGANIZATION HAS ENGAGED IN TRAFFICKING.

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8. KIA - KACHIN INDEPENDENCE ARMY - A COMPLEX ORGANIZATION WHICH HAS STRONG POLITICAL ASPIRATIONS (INDEPENDENCE OR AUTONOMY FOR KACHIN AREAS) BUT WHICH HAS INCREASED ITS INVOLVEMENT IN TRAFFICKING OVER THE PAST NINE MONTHS TO BECOME ONE OF THE THREE LARGEST TRAFFICKING ORGANIZATIONS. KIA ENCOURAGES CULTIVATION, PROVIDES PROTECTION FOR TRAFFICKERS, RUNS ITS OWN NARCOTICS CARAVANS, AND RECENTLY HAS BECOME AN OPERATOR OF REFINERIES. IT COOPERATES WITH THE SSA AND OTHER ORGANIZATIONS FOR MUTUAL PROTECTION OF CARAVANS. THE KIA HAS BEEN PERHAPS THE HARDEST HIT BY THE BURMA ARMY IN CARAVAN INTERDICTIONS.

9. KMT - SEE CIF AND IBMND

10. KKY (KHAKWEYEI) - AN ABBREVIATION FOR SELF-DEFENSE MILITIA GROUPS DISBANDED BY THE GUB IN 1973. GOING BEYOND THEIR DUTIES AS SUPPORT AND DEFENSE ELEMENTS OF THE BURMA ARMY, MANY OF THE KKY GROUPS ENGAGED HEAVILY IN TRAFFICKING. SOME WENT UNDERGROUND AND ARE GENERALLY IDENTIFIED BY EITHER THE AREA FROM WHICH THEY ORIGINATE OR BY THE INDIVIDUAL LEADER. EXAMPLES: LOI MAW EX-KKY (SUA) (LOI MAW IS AREA IN SHAN STATE) OR LO HSING-HAN EX-KKY (LO, NOW IMPRISONED, WAS THE LEADER).

11. KOCZNG EX-KKY OR LO HSING-HAN EX-KKY - BADLY FRACTURED AFTER THE ARREST OF ITS LEADER, THE GROUP HAS STRENGTHENED ITSELF OVER PAST YEAR AND A HALF. PART OF THE STRENGTH DERIVED FROM OTHER

GROUPS WHO HAD BEEN SPLINTERED BY THE BURMA ARMY OR BY INTERNAL LIMITED OFFICIAL USE

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PROBLEMS AND JOINED WITH THE LO GROUP. THIS EX-KKY NO LONGER OPERATE IN THE AREA OF ITS ORIGIN, BUT HAS MOVED INTO THE SOUTHERN SHAN STATE, NEAR THE KAYAH STATE, AND INTO THAILAND IN THE MAE HONG SON AREA. IT IS FIGHTING SSA (INFRA) OVER TERRITORY AND CONTROL OF OPIUM IN THAT TERRITORY. BOTH SIDES ARE SEEKING AND RECEIVING SOME AID FROM OTHER GROUPS.

12. LAHU UNITED LIBERATION UNION - THE LAHU (MUSER) ARE A SMALL ETHNIC MINORITY OF SOUTHERN SHAN STATE NEAR THAI BORDER, WHICH LAPSED INTO ARMED DISSIDENCE IN 1972 AT INSTIGATION OF ITS POLITICAL/RELIGIOUS LEADER. ITS ROLE IN TRAFFICKING IS NEGLIGIBLE.

13. KAREN GROUPS - THERE ARE A NUMBER OF KAREN AND KAYAH INSURGENT GROUPS WHO ARE CURRENTLY ENGAGED IN TRAFFICKING. ORIGINALLY, MANY OF THE KARENS FROWNED UPON OPIUM TRAFFICKING, BUT SAW PROFIT FROM PROVIDING PROTECTION FOR CARAVANS WHICH ARE ON THE INCREASE IN THEIR AREA OF CONTROL. THEY ARE NOW ALSO DIRECTLY ENGAGED BY RUNNING SOME NARCOTICS FROM BURMA INTO THE MAE HONG SON AREA.

14. MUSER - ANOTHER NAME FOR THE LAHU ETHNIC MINORITY (SUPRA).

15. PA-O - THE PA-O OR TAUNGTHU ARE AN ETHNIC MINORITY GROUP IN SOUTHERN SHAN STATE, MAINLY AROUND AND TO SOUTH OF TAUNGGYI, WHO HAVE MAINTAINED SMALL-SCALE ARMED INSURGENCY FOR MANY YEARS. THEY ARE MINOR GROWERS AND TRAFFICKERS, MAINLY ON BEHALF OF LARGER GROUPS.

16. PNF - PALAUNG NATIONAL FRONT - THE PALAUNGS ARE AN ETHNIC MINORITY IN NORTHERN SHAN STATE. PNF IS A WEAK ALLY OF THE KIA, SERVING MOSTLY AS A PART OF THE PROTECTIVE FORCE FOR CARAVANS AND OTHER VENTURES. TO ADD STRENGTH TO ITS ARGUMENTS, THE KIA WILL ALSO INCLUDE PNF AS PARTY TO ANY PROPOSALS IT MAKES.

17. PEOPLE'S PATRIOTIC PARTY (FORMERLY PARLIAMENTARY DEMOCRACY PARTY). A LOOSE COALITION OF BURMAN, KAREN, AND MON DISSIDENTS ORGANIZED IN 1969 UNDER LEADERSHIP OF FORMER PRIME MINISTER U NU, AND BASED IN THAILAND. U NU HAS LEFT GROUP AND EXCEPT FOR ITS KAREN ELEMENTS IT HAS CEASED TO BE OF IMPORTANCE. WHILE THE PPP ORGANIZATIONALLY, AND ITS LEADERSHIP, HAVE NOT ENGAGED IN TRAFFICKING, INDIVIDUAL ELEMENTS OF IT SUCH AS THE KARENS (SUPRA) AND JIMMY YANG (INFRA) HAVE BEEN OR ARE ACTIVE TRAFFICKERS.

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18. SSNLG - SHAN STATE NATIONAL LIBERATION GROUP - THERE ARE TWO BRANCHES; ONE IS PRO-COMMUNIST, ONE ANTI-. NEITHER IS A FORCE OF MUCH IMPORTANCE BY ITSELF OR JOINED TOGETHER. HOWEVER, THEY CONTROL CERTAIN OPIUM GROWING AREAS AND MANY OF THE OTHER GROUPS IN SOUTHERN AND EASTERN SHAN STATE SEEK THEIR COOPERATION.

19. SSA - SHAN STATE ARMY - MILITARY ARM OF THE SSPP (SHAN STATE PROGRESSIVE PARTY) WHICH SEEKS AUTONOMY. SSA IS BADLY SPLINTERED. SOME GROUPS, SUCH AS AI MYINT'S, JOINED THE BCP MANY MONTHS AGO. REMAINING SSA UNITS HAVE LONG ARGUED WHETHER OR NOT TO JOIN THE BCP. THE SSA ENGAGES IN NARCOTICS TRAFFICKING BUT NOT IN A MAJOR WAY. IT IS ESSENTIALLY A MINOR GROUP WHICH CONTROLS LIMITED AREAS AND VERY OFTEN RUNS IN FACE OF BURMA ARMY OFFENSIVES. IT HAS A LOOSE ALLIANCE WITH KIA, WHICH DOES NOT ALWAYS WORK. SSA IS NOW FIGHTING WITH THE LO HSING-HAN EX-KKY OVER CONTROL OF OPIUM AREAS. SSA SEEKS AID OF THE 3RD CIF, BUT HAS NOT YET GAINED IT, AND IT ALTERNATELY FIGHTS AGAINST AND JOINS WITH SEVERAL OF THE SMALLER SHAN INSURGENT GROUPS. IT EXERCISES NO AUTHORITY IN NORTHERN SHAN STATE, THE CENTER OF MOST OF THE OPIUM CULTIVATION. OSBORN

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20. SUA - SHAN UNITED ARMY - THE SUA IS BETTER KNOWN AS THE LOI MAW EX-KKY, LOI MAW BEING A MOUNTAIN AREA IN NORTHERN SHAN STATE. THIS GROUP IS ONE OF THE CHIEF NARCOTICS TRAFFICKING ORGANIZATIONS IN BURMA. IT IS COMPOSED EXCLUSIVELY OF ETHNIC CHINESE AND IS A PROFESSIONAL TRAFFICKING ORGANIZATION WHICH EMPLOYS EVERY ASPECT

OF THE GAME. IT HAS NO POLITICAL ASPIRATIONS SINCE IT IS CHINESE, CRIMINAL, AND ESSENTIALLY OPERATING UNDER THE WAR LORD SYSTEM. ITS STRENGTH MAY BE AS MUCH AS 2000, PLACINT IS IN NUMBERS BELOW THE CIF, ON A PAR ROUGHLY WITH THE KIA, AND MORE THAN ANY OF THE OTHER GROUPS. IT BUYS, TRANSPORTS BY CARAVANS, AND REFINES OPIUM. IT WILL STRIKE AGREEMENTS WITH ANY ORGANIZATION, INCLUDING THE BCP, IF IT SUITS THE SUA NEEDS. NOTED FOR ITS SOLDIERS' TOUGHNESS AND DURABILITY, THE SUA, KIDNAPPERS OF TWO SOVIET MEDICS IN 1973, HAS WITHSTOOD SEVERAL ATTACKS AND SURVIVED AS AN ORGANIZATION A SERIOUS CARAVAN INTERDICTION BY THE BURMA ARMY IN 1974.

21. TONGSU (TAUNGTHU) - ANOTHER NAME FOR THE PA-O ETHNIC MINORITY (SUPRA).

22. YANG KYIN SEIN (JIMMY YANG). A MEMBER OF THE FORMER RULING FAMILY OF THE STATE OF KOKANG, INHABITED BY ETHNIC CHINESE AND NOW UNDER BCP CONTROL. HIS ARMED BACB, OF WHICH LO HSING-HAN WAS ONCE AN OFFICER, HAVE LONG TRANSPORTED OPIUM ON A MINOR SCALE. YANG WAS ARRESTED BY THAI AUTHORITIES IN JANUARY 1973 AND IS STILL BEING HELD BY THEM, AND HIS ORGANIZATION HAS VIRTUALLY DISINTEGRATED EXCEPT FOR A FEW MEN UNDER COMMAND OF JIMMY YANG'S LIMITED OFFICIAL USE

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NEPHEW.

23. THERE ARE ALSO SEVERAL OTHER MINOR ETHNIC GROUPS AND INDIVIDUAL OPERATORS IN THE TRI-BORDER AREA OPERATING REFINERIES AND TRANSPORTING OPIUM. MOST ARE NOT INDEPENDENTLY STRONG AND MUST RELY UPON AGREEMENTS MADE WITH LARGER GROUPS. THE INDIVIDUALS DO, HOWEVER, OFTEN HAVE INTERNATIONAL CONTACTS TO FURTHER THE NARCOTICS DOWN THE PIPE LINE.

24. AMONG FOREGOING GROUPS, IT SEEMS PROBABLE THAT THE THREE MOST IMPORTANT (IN TERMS OF VOLUME OF OPIUM AND DERIVATIVES TRANSPORTED TO THAI BORDER) ARE 3RD CIF (INCLUDING SURA), KIA, AND

SUA, WHO BETWEEN THEM PROBABLY ACCOUNT FOR SOME 50 PERCENT OF THE TRAFFIC. SECOND-RATE GROUPS ARE BCP, LO KKY, AND SSA, WHO MAY SHARE SOME 30 PERCENT OF THE TRAFFIC. THE REMAINING PERCENT IS DIVIDED AMONG NUMEROUS SMALLER OPERATORS SOME OF WHOM ARE LISTED ABOVE. IT CAN BE ROUGHLY ESTIMATED THAT TOTAL OPIUM PRODUCTION IN BURMA (SOME 80 PERCENT OF IT IN SHAN STATE) IS 300-500 TONS A YEAR, DEPENDING ON WEATHER, PRICES AND OTHER FACTORS; OF THIS, PERHAPS 150 - 250 TONS A YEAR ARE SHIPPED TO THAI BORDER. OSBORN

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